

Gowest Gold Announces New \$10 Million Loan Agreement

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Funds to be used for ongoing working capital, debt repayment and preparation of Redstone Mill for processing of Gowest Gold ore

Toronto, January 22, 2024 - [Gowest Gold Ltd.](#) (TSXV: GWA) ("Gowest" or the "Corporation") is pleased to announce that it has entered into a loan agreement with Lush Land Investment Canada Inc. (the "Lender"), pursuant to which Gowest may borrow up to an aggregate principal amount of \$10,000,000.

The proceeds of this loan are intended to be used by Gowest for ongoing general working capital requirements, the payment of outstanding accounts payable due to [Northern Sun Mining Corp.](#) ("Northern Sun") of approximately \$4,550,000, and proposed advances to be made to Northern Sun as a prepayment for future milling services, such advances to be used by Northern Sun for certain expenses to be incurred in connection with the construction of the tailings pond at the Redstone Mill and/or other capital investments, in preparation for milling Gowest's ore mined from Bradshaw. Definitive terms for such a milling agreement between the Corporation and Northern Sun are currently being negotiated.

Dan Gagnon, President and Chief Executive Officer of Gowest, said, "Thanks to the ongoing strong support of our largest shareholders, we are continuing to advance our development and operational plans for Bradshaw and our other North Timmins Gold Project properties. In addition to Greenwater's exploration-focused loan, announced last month, Lush Land is helping us to press forward with Northern Sun to ready the Redstone Mill for milling our ore when we return underground at Bradshaw later this year."

Description of Loan Agreement

On January 19, 2024, the Corporation entered into a loan agreement (the "Loan Agreement") with the Lender, an investment company incorporated under the laws of Ontario, pursuant to which the Lender has agreed to advance to the Corporation an aggregate principal amount of up to \$10,000,000.

The aggregate principal amount under the Loan Agreement will be funded in tranches at the written request of the Corporation. Each tranche advanced under the Loan Agreement will be for a minimum principal amount of \$500,000. The loan is unsecured, and funds advanced under the Loan Agreement will bear interest at a rate of 12% per annum. The outstanding principal balance, together with accrued and unpaid interest thereon, will be due and payable on December 31, 2025. The outstanding principal balance and accrued interest may be prepaid by the Corporation at any time during the term of the loan without penalty.

As the Lender is a significant shareholder of the Corporation, holding approximately 45.36% of the issued and outstanding common shares of the Corporation, the entering into of the Loan Agreement constitutes a "related party transaction" pursuant to Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101").

The loan transaction under the Loan Agreement is exempt from the valuation requirement under MI 61-101 by virtue of the exemptions contained in Sections 5.5(a) and (b) of MI 61-101, as the maximum principal amount of the loan represents less than 25% of the Corporation's market capitalization, and the common shares of the Corporation are listed only on the TSX Venture Exchange and not on any other stock exchange. The transaction is exempt from the minority shareholder approval requirement under MI 61-101 by virtue of the exemptions contained in Sections 5.7(1)(a) and 5.7(1)(f) of MI 61-101, as the maximum principal amount of the loan represents less than 25% of the Corporation's market capitalization, and the transaction has been obtained on reasonable commercial terms that are not less advantageous to the Corporation than if the loan were obtained from a person dealing at arm's length with the Corporation. The

loan is not convertible into common shares of the Corporation pursuant to its terms.

The Loan Agreement has been approved by the disinterested members of the board of directors of the Corporation. In connection with the approval of the Loan Agreement, Mr. Meirong Yuan, a director of the Corporation who is also a director of the Lender, abstained from voting in respect of the transaction. All other directors consented to the entering into of the Loan Agreement and the consummation of the loan transaction thereunder.

A material change report is not being filed more than 21 days prior to entering into of the Loan Agreement in order that the Corporation may close the transaction and access funds thereunder as expeditiously as possible.

The Loan Agreement remains subject to the final approval of the TSX Venture Exchange.

Previously announced Loan Agreement for Exploration

As announced on December 27, 2023, Gowest entered into a loan agreement for an aggregate principal amount of up to \$10,000,000 to fund additional exploration at its North Timmins Gold Project ("NTGP") with Greenwater Investment Hong Kong Limited ("Greenwater"), an investment company incorporated under the laws of Hong Kong, pursuant to which Greenwater agreed to advance to the Corporation an aggregate principal amount of up to \$10,000,000. The additional exploration will be focused on the Corporation's 100% owned Bradshaw Gold Mine (Bradshaw). This recently funded program is part of a larger planned program aimed at expanding the mineable resource at Bradshaw, as well as to further test other parts of the Corporation's NTGP area where notable gold has also previously been intercepted.

About Gowest

Gowest is a Canadian gold exploration and development company focused on the delineation and development of its 100% owned Bradshaw Gold Deposit (Bradshaw) on the Frankfield Property, part of the Corporation's North Timmins Gold Project (NTGP). Gowest is exploring additional gold targets on its +100‐square‐kilometre NTGP land package and continues to evaluate the area, which is part of the prolific Timmins, Ontario gold camp. Currently, Bradshaw contains a National Instrument 43‐101 Indicated Resource estimated at 2.1 million tonnes ("t") grading 6.19 grams per tonne gold (g/t Au) containing 422 thousand ounces (oz) Au and an Inferred Resource of 3.6 million t grading 6.47 g/t Au containing 755 thousand oz Au. Further, based on the Pre‐Feasibility Study produced by Stantec Mining and announced on June 9, 2015, Bradshaw contains Mineral Reserves (Mineral Resources are inclusive of Mineral Reserves) in the probable category, using a 3 g/t Au cut‐off and utilizing a gold price of US\$1,200 / oz, totaling 1.8 million t grading 4.82 g/t Au for 277 thousand oz Au.

Forward-Looking Statements

Certain statements in this release constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements in this press release include, without limitation, statements relating to future advances of funds under the Loan Agreement, the use of the proceeds of the Loan Agreement, the proposed milling agreement between the Corporation and Northern Sun, the resumption of underground mining operations at Bradshaw, and anticipated exploration activities at Bradshaw and other parts of the Corporation's North Timmins Gold Project area. Words such as "may", "would", "could", "should", "will", "anticipate", "believe", "plan", "expect", "intend", "potential" and similar expressions may be used to identify these forward-looking statements although not all forward-looking statements contain such words.

Forward-looking statements involve significant risks, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including those risk factors set forth in the Corporation's management's discussion and analysis and other filings available via the System for Electronic Document Analysis and Retrieval (SEDAR) under the Corporation's profile at www.sedar.com. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by this press release. These factors

should be considered carefully, and readers should not place undue reliance on the forward-looking statements. These forward-looking statements are made as of the date of this press release and, other than as required by law, the Corporation does not intend to or assume any obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

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